

JOE B. ADAMS
CONSULTING GEOLOGIST

May 16, 2005

Honorable James H. Welsh
Commissioner of Conservation
P.O. Box 94275
Baton Rouge, Louisiana 70804-9275

Re: APPLICATION FOR PUBLIC HEARING
HACKBERRY ZONE, RESERVOIR C,
Marceaux Island Field
Cameron Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of SAMUEL GARY JR. and ASSOCIATES ("Applicant") for the calling of a public hearing, after legal notice to consider evidence relative to the issuance of an order pertaining to the following matters relating to the HACKBERRY ZONE, Reservoir C in Marceaux Island Field, Cameron Parish, Louisiana:

1. To create a single drilling and production unit of approximately 320 acres for the exploration for and production of gas and condensate from the Hackberry Zone, Reservoir C in Marceaux Island Field, Cameron Parish, Louisiana; and
2. To force pool and integrate all separately owned tracts, mineral interest and other property interests within the unit so created, in accordance with Section 10, Title 30, of the Louisiana Revised statutes of 1950 with each tract sharing in unit production on a surface acreage basis of participation; and
3. To designate a unit operator; and
4. To designate a unit well for the HBY RC SUA; and
5. To provide that any wells drilled to the Hackberry Zone, Reservoir C, shall comply with the spacing provisions of Statewide Order No. 29-E.
6. To consider such other matters as may be appropriate and justified by the evidence presented at the public hearing.

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The Hackberry Zone in Marceaux Island Field, Cameron Parish, Louisiana was previously defined as that gas and condensate bearing zone encountered between the depths of 12,310 feet and 12,740 feet (electric log measurements) (12,251 feet and 12,681 feet TVD) in the Samuel Gary (Manti) - Matilda Gray No. 1 well located in section 16, Township 13 South - Range 14 west, Cameron Parish, Louisiana.

Pertinent data concerning this application is available for inspection at the offices of Joe B. Adams, 9141 Interline Ave. Ste. 3A, Baton Rouge, Louisiana 70809. Any person wishing to inspect such data should call Mr. Adams (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

Under the Revised Rules of Procedure, a conference was held on May 3, 2005 at the Holiday Inn, South in Baton Rouge, Louisiana. The conference was opened by the undersigned and the applicant's unit proposal and the basis therefore was explained to those in attendance. Mr. Wally Hamilton, representative for Chevron, U. S. A., Inc. presented a counter plan to that of the applicant. This plan differs from the applicant in that it shifts the unit to the north and west and removes acreage to the south and east. Mr. David Sturlese, representative of the Stream interest was not able to be in attendance; he did in absentia state that he supported the applicant's proposal. No resolution of differences was reached and therefore this application is being filed under the Revised Rules of Procedure. A list of those in attendance is attached hereto.

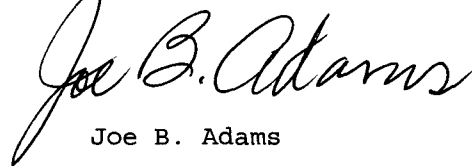
Pursuant to the aforesaid Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom this application is being sent and has attached hereto a list of the names and addresses of such parties. The list of Interested Owners, Represented Parties and Interested Parties is being sent to the Commissioner of Conservation only. A copy of this letter and the attached plat is being sent to the District Manager of the Lafayette District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for POSTING of a copy of the legal notice of the hearing and the enclosed plat at a prominent place in the area affected and will cause the LEGAL NOTICE to be PUBLISHED in a newspaper of general circulation in the vicinity of the Marceaux Island Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice.

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Enclosed is a check, in the amount of \$ 755.00, payable to the Louisiana Office of Conservation, which represents the required hearing fee.

Respectfully submitted,

A handwritten signature in cursive script that reads "Joe B. Adams". The signature is written in black ink and is positioned above the printed name.

Joe B. Adams

encl:

cc: Mr. Richard Hudson (w/ encls.)
Samuel Gary Jr. & Associates (w/ encls.)
All Interested Owners, Interested Parties and
Represented Parties

